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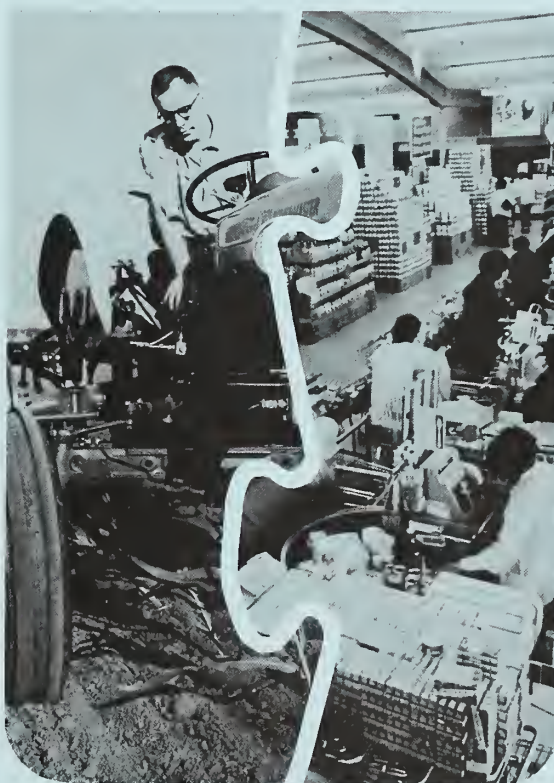
Some Notions About the Nature of a National
Food Policy Research Program

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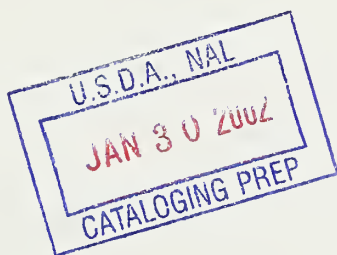


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Some Notions About the Nature of a National
Food Policy Research Program

Levi A. Powell, Sr.



January 6, 1976

SOME NOTIONS ABOUT THE NATURE OF A NATIONAL FOOD POLICY RESEARCH PROGRAM

Introduction

For a subject currently commanding so much interest, there is a notable lack of consensus about what is meant by food policy. Perhaps this is so for a very simple reason.

The subject of policy is, by nature, a semantical thicket, the more entangled--the more diversified the notions of parties discussing it. This axiomatic observation is further verified by the persistent tendency for equivacency to be mistakenly ascribed to policy goals, guidelines, directives and prescribed means. As if coping with these assorted brambles were not enough, there is always the irresistible compulsion to muddle the terrain with the normative-positive quagmire. Moreover, since the intro and extrospective policy views of each individual must somehow be accommodated, improvising a clearing through which some collective light of agreement can be shone on a policy subject, usually borders on the remarkable.

Policy, whether expressed explicitly or implied, is the embodiment of intentions couched in terms of goals. Such intentions may range from those platonically lofty to the sordidly base. They may be normative in nature or positive, as witnessed by the recent flurry of authoritative edicts in certain parts of the world. Goals also are of this nature. Shades and varieties of meaning proliferate in this context. Therefore, attempts to tightly define something called a broad public policy either in terms of what it is or what it is not are prone to terminate in unsettled debates.

Although often taken to be synonymous with policy, policy directives are instruments for policy extension. Desired response to such directives are sought either through persuasion, coercion or some combination of both. The

"Golden Rule" is a policy directive, albeit, without a secular mechanism for insuring that its principle is faithfully adhered to.

Structured organizations, public and private, usually formulate policies relating to their purpose and conduct and issue formal directives pertaining thereto along with guidelines spelling out the "shalls" and "shall nots," i.e., policy rules.

But for governmental policies that apply to the public at large or parts thereof, formal mechanisms, ordinarily referred to as programs, are generally needed to translate policies into actions toward achievement of policy goals. Such is not always the case, however. Through exercise of their broad authorities and responsibilities, appropriate officials may directly activate a variety of instruments that have evolved in the area of public policy and change policy directions without specifically formalizing the process. Even so, democratic prerogatives see to it that neither approach is insulated from public debate nor that applied bodies of policies flowing therefrom can forever remain static.

Of late in the public policy arena, a multiplying variety of opinions are being freely volunteered and argued. Those of interest here have food policy as a common theme. But even this criterion must be applied cautiously. For, beyond the rallying appeal of the idea, dissimilarities in proposals arising from differing notions about what food policy entails and how it should be carried out complicate the process of sorting out and dealing with material aspects of this complex issue.

Espoused proposals are coming from various individuals and groups differently motivated by a broad spectrum of particular interests and persuasions.

Entrants into the act range from those for whom concerns about hunger have long since been relegated to the subliminal (except, perhaps, for botherment over the plight of the less fortunate) to those facing the stark realities of bare subsistence for themselves and their kindred beings.

Such is the scope and intensity of debate of this broad issue, that objective appraisals at the national level of the rationality of various proposals and actions concerning food policy would seem no longer postponable.

Offering suggestions about how ERS might proceed with this pressing task is the purpose of this statement. Thus, the research program being proposed is done so in this context.

GENERAL PROGRAM FORMAT

Those who hold that reinventing the wheel is not exactly a high yielding enterprise perhaps will be inclined to agree with the following proposition provided they are not overly concerned about profoundness. Namely, it is that a useful way to go about laying out a research program is to think of it as a macro or highly generalized version of the process followed in researching something in a particular or micro sense. In the beginning, allowance must be made for gaining understanding of a subject in terms of its various kinds of relevance to whom and to what, including why and how it happens to attract attention in the first place. This process performs two important functions. Serious reasoning along these lines may reveal alleged problems to be will-o'-the-wispish, i.e., non-problems. Findings to the contrary and meaningful grasps of identified problems, in contrast, guide the way to relevant, answer yielding paths of inquiry and away from specious, dead-end streets and blind alleys that frustrate so many analyses. After paths of inquiry and analytical techniques

are properly matched, everything is downhill provided suitable data are at hand.

With this brief procedural rationale, the following policy research program for ERS is offered for consideration with the caveat that such fine points as analytical techniques, of course, have no place in a broad program statement, as the last sentence above might imply. Rather, at the program level, the matter of techniques should be thought of in terms of talent requirements.

Nature of the Origin and Formulation of Policy

Whether incipient or full-blown, policies in the public arena undergo prior periods of metamorphosis. The first signs that policies might be in the making are peoples' displays of concerns about tangible and intangible happenings, actual or potential, they perceive to be in some way relevant to them. If such concerns are vigorously championed and become sufficiently widespread, they breed higher ordered topics usually labeled issues. These share one feature in common, all are debatable. Where there is full accord, there is no issue.

To achieve the status of an applied national policy, an issue must survive the gamut of political scrutiny and debate. Many issues make it far enough to become formalized into proposed legislative bills. But, they may become stalemated at this juncture because necessary endorsements of the political process are withheld. The sustained Presidential Veto is the ultimate case in point.

As mentioned previously, however, some policy instruments may be invoked administratively under prior authorities to effect policy changes without resorting anew to the formal legislative process.

Just because policies are put into action doesn't mean interest in them should or will fade away. In fact, sensitivity to their impacts and apprehension about their implications may make them more controversial than their

precedent issues. Policies founded on the noblest intentions, can produce disastrous side effects and outcomes. Even successful policies may eventually outlive their usefulness and acceptability. So it is that in a dynamic, democratic society, the policy process whether in the state of making or application is continually scrutinized and debated in both ex ante and ex post terms.

It should be clear that economists' involvement in the policy area should go beyond interest only in after-the-fact impacts and implications of applied policy. In truth, it is doubtful they can even do a thorough analysis confined to this focus without considerable appreciation of the entire policy process. In studying the use of social science knowledge in policy decisions at the national level, Caplan observes that "...Most policymakers share the belief that social scientists are politically naive and should become more familiar with policy formulation and political processes..."^{1/}

To add specificity, elements of the notions discussed above are outlined in detail below without claiming part (A) is exhaustive or properly ordered:

A. Genesis of concerns ranking food as a critical national issue.

- | | |
|---------------------------------------|---|
| 1. Sub-optimal status of the economy. | 7. Disparities in prices and incomes among agricultural sectors. |
| 2. Emphasis on agricultural exports. | 8. High farm input prices. |
| 3. Uncertain world food situation. | 9. High cost of entering farming. |
| 4. Capacity of the U.S. food system. | 10. Domestic corporate and foreign investment in agriculture. |
| 5. High retail food prices. | 11. Concentration of control of agriculture and the food distribution system. |
| 6. Variability in food supplies. | |

^{1/}Caplan, Nathan; Morrison, Andrea, and Russell J. Stambaugh, The Use of Social Science Knowledge in Policy Decisions at the National Level: A Report to Respondents. Inst. for Soc. Res., Univ. of Mich., 1975.

12. Economic, environmental and safety conflicts in the entire process of food production and distribution.
13. The food versus energy, strip mining controversy.
14. Changes in the rural-urban population mix and the widening knowledge gap about agriculture.
15. Changes in consumer attitudes and expectations concerning food quality, safety and technologies used in its manufacture.
16. Reorientations of welfare values relating to the unemployed and the underprivileged.

B. Translation of concerns into a food issue.

1. Amplification of topics under (A) by various forms of the communicative media.
2. Concerted lobbying and other actions by private and public special interest groups.
3. Use of analyses of topics under (A) made by professional analysts and experts.
4. Direct communication of citizens views to public officials and, to some degree, to business authorities.
5. Activistic behavior such as demonstrations, strikes, pickets and boycotts.

C. Formalizing a food policy compatible with the issue.

1. Piece one together from existing legislation and authorizations.
2. Develop a new legislative package or amend existing legislation.
3. Strengthen the above process by researching and analyzing:
 - a. Rationale of issues prompting various food policy positions and proposals.
 - b. Relevance of issues to goals encompassed in policy proposals.
 - c. Conflicts and compatibilities among goals.
 - d. Feasibility and achievability of goals.

- e. Alternative means for implementing the policy and achieving its goals, with evaluations of comparative conformity of means to goals and differences in economic and social impacts resulting from use of alternative means.
- f. Purposes, objectives, methods and impacts of existing policies and programs relating directly and indirectly to food policy.

Topics and Centers of Responsibility for Research on Food Policy

Since the meaning of a proposed policy is, somewhat like the adage about beauty, in the mind of the proposer, deference has a place in the consideration of the topical legitimacy of assorted propositions. At least, it would hold that seriously advanced ideas about food policy merit serious consideration as worthwhile topics for research. Quibbling over definitions would contribute little to this kind of deliberative process. Rather, taking various proposals and applied policies as given would seem the objective and productive thing to do. And from there, proceed to pursue all of each's ramifications in terms of the framework outlined in the preceding section of this statement.

A thorough but not necessarily rigorous check along these lines would expedite sorting out unlikely topics and identifying those warranting concentrated attention. Of course, this process would topically require appreciation for timeliness, origin and breadth of support, perceived impacts and implications otherwise important to those responsible for policy decisions.

This suggested approach would in no way be intended to rule out entertainment of anticipatory proposals offered by researchers. Enterprising researchers who surmise from current and emerging signals that important issues relating to food policy might surface and possibly achieve the status of policies should be allowed to make their cases.

Although not exactly replicas in this regard, certain of the many proposals of late connected in some way with food have strikingly similar goals and ways of accomplishing them. Coincidence is not the reason though. Perspectives and overtones of such sub-groups of proposals show them to share one or more of the following as primary objects of concern:

- | | | |
|-----------------|--------------------------|----------------------------|
| 1. Agriculture. | 4. Transportation. | 7. Workers. |
| 2. Resources. | 5. Economic Development. | 8. Consumers. |
| 3. Markets. | 6. Environment. | 9. Underprivileged people. |

Knowing policy proposals conform to some such sort of scheme may provide a bit of analytical comfort but doesn't make distinct, researchable areas immediately obvious. Indeed, it is difficult to envision any arrangement that would yield mutually exclusive topics relating to food policy. Simple matrices formed from policy objects, goals and means, however, can go part way in designating research areas and serve as guiding overlays of program responsibilities in ERS.

Instead of designing matrices for the above purpose for all nine objects of concern, though, this exercise was limited to an output of four. Frankly, to have done otherwise not only would have amounted to an overwhelming chore but also would have brought in conceptual duplications standing a good chance of being more distracting than helpful. So, with no intention of reflecting upon their respective importance, five of the nine main policy objects were incorporated in the designed matrices in the context of either goals or means. The resulting matrices built around Agriculture, Resources, Markets and Consumers, that follow, summarize a suggestive overview of Food Policy Research for ERS. The makeup of these matrices seem to correspond approximately to perspective objects of various groups of proposal sponsors.

Agriculture: Current Proposals Directly Related to the Food Issue

Goals	Income protection (U.S. farmers)	Ample, fairly priced food (U.S. consumers)	Food assistance (U.S. recip- ients)	Food assistance (Foreign recipients)	Viable export markets (U.S. farmers)	Food security: (U.S.)	Family farm protection (U.S.)	Food security (World)
Means	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Rely primarily on market incentives with nominal governmental intervention	:CED: Commodity out-puts, costs, prices, stocks and revenues, and governmental payments. :NEAD: Aggregate farm income, costs and input requirements. :EDD: Off-farm income	:NEAD: Consumer demands, prices, margins and expenditures.	:NEAD: Recipients needs, demands, price impacts, and program costs.	:FDCD: Recipients relief requirements and program costs.	:FDCD: Export demands, revenues and trade balances.	:NEAD, CED and FDCD: Based on Cols. 1-5 and Col. 1	:CED, NEAD and EDD: Based on Cols. 4-6	:FDCD: Based on Cols. 4-6
Adjust loan rates, target prices, deficiency, and disaster payments.	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto
Establish U.S. food reserve program with specified rules for buying and selling farm products	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto
Prepare a National Food Budget specifying production goals for each commodity and								
Prepare a National Energy and Resource Budget detailing input requirements	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto		Ditto
Support export expansion and insure integrity of export contracts for both U.S. and importing countries	:CED: Commodity price and revenue effects :NEAD: Farm income effects including distribution	Ditto	Ditto	Ditto	:FDCD: Export potentials, terms of trade, potential import adjustment, and trade balances.	Ditto		Ditto
Control agricultural exports through licensing, embargoes, etc.	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto		Ditto
Negotiate multi-year export agreements with importing nations	Ditto	Ditto	Ditto	Ditto	Ditto	Ditto		Ditto

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Agriculture: Current Proposals Directly Related to the Food Issue--continued

Goals	Income protection (U.S. farmers)	Ample, fairly priced food (U.S. consumers)	Food assistance (U.S. recip- ients)	Food assistance (Foreign recipients)	Viable export markets (U.S. farmers)	Food security: (U.S.)	Family farm protection (U.S.)	Food security (World)
Means	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Establish an inter- nationally coordinated system of grain re- serves	Ditto (Including alter- natives for managing U.S. reserves.)	Ditto	Ditto	Ditto	Ditto (Including al- ternatives for managing for- eign reserves)	Ditto		Ditto
Create an international system for exchanging information on food production, supplies, etc.						Ditto (Including or- ganization, operation and management of such a system)		Ditto (Including or- ganization operation and management of such a system)
Provide relief from Federal estate taxes	NEAD: Farm income effects including distribution EDD: Off-farm income						NEAD: Impacts on structure, ownership, and productivity of agriculture	
Reduce tax shelters in agriculture	Ditto						Ditto	
Change options to use cash or accrual tax accounting systems	Ditto						Ditto	
Make use of preferential tax assessment of farm- land (States)	Ditto						Ditto	
Regulate control of agriculture by outside corporations and foreign investors	Ditto	NEAD: Effects on consumer prices and expenditures	Ditto	Ditto	EDCD: Export potentials, terms of trade, potential im- port adjust- ments, and trade balances	Ditto	Ditto	
Provide technical assistance to small farms to increase production	Ditto	Ditto			Ditto	Ditto	Ditto	
Revamp child feeding, family assistance, and other U.S. domestic nutritional programs	NEAD: Farm income and price effects	NEAD: Consumer de- mands, prices, margins and ex- penditures	NEAD: Recipi- ents needs, demands, price impacts, and program costs					

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Agriculture: Current Proposals Directly Related to the Food Issues---continued

Goals	Income protection (U.S. farmers)	Ample, fairly priced food (U.S. consumers)	Food assistance (U.S. recip- ients)	Food assistance (Foreign recipients)	Viable export markets (U.S. farmers)	Food security (U.S.)	Family farm protection (U.S.)	Food security (World)
Means	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Support international research centers for developing agricultural techniques for Third World Countries								:FDD: Planning, :implementing and :coordinating :procedures
Strengthen existing and create new international institutions for (1) funding agricul- tural development pro- jects and (2) preserva- tion and wiser manage- ment of shared vital resources: Air, fresh water, the oceans and the world climate								:FDD and NRED: :Planning, imple- :menting and :coordinating :procedures
Focus foreign assist- ance more directly on food production, nutrition, health, family planning and education								:FDD, FDGD, CED, :NEAD and EDD: :Planning, imple- :menting and :coordinating :procedures
Devise a famine relief program								:FDD and FDGD: :Planning, imple- :menting and :coordinating :procedures
Promote international population control programs								:FDD and EDD: :Planning, imple- :menting and :coordinating :procedures

Resources (Human, Natural and Other Forms): Current Proposals Related to the Food Issue

Goals	Capacity assurance (U.S. food system)	Rural develop- ment (rural infrastructure)	Land, water and marine conservation (farms and fisheries)	Energy independence (U.S. economy)	Environmental protection (U.S. society)	Health and safety protection: (food system workforce)	Responsible labor relations (U.S. food system)
Means	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Reserve prime agricul- tural land for agri- cultural purposes	: NRED: Location, quan- : tity and ownership of : prime land. : NRED and NEAD: Market : and nonmarket strat- : egies for devoting : prime land to agri- : culture.	: EDD: Consistency : with achievement : of viable rural : infrastructures.	: NRED: Measures : for preserving : and improving : land quality.	: NRED and NEAD: : Consistency with: : development of : natural energy : resources, and : effects on en- : ergy costs to : the food system.	: NRED: Compat- : ibility with : environmental : restraints im- : posed on land : use.		
Implement multipurpose land use planning	: NRED: Land use patterns; : competing demands for : agricultural, forestry, : industrial, residential, : and public purposes.	: Ditto	: Ditto	: Ditto	: Ditto		
Assure continued water rights of agricultural producers	: NRED: Location, quan- : tity, availability, : control and competing : demands for water.	: Ditto	: NRED: Measures : for improving : the use of water: : for irrigation : and other : purposes.	: Ditto	: Ditto (on water use)		
Optimize FIFRA, FWPCA and other environ- mental regulations	: NRED: Impacts on struc- : ture, organization, : practices, production : and costs, and on re- : tail food prices.	: Ditto		: Ditto	: NRED: Nature and : incidence of : effects on : environmental : quality.	: NRED: Nature and : incidence of : hazards to health : and safety. : employment, and : productivity.	: EDD and NEAD: Im- : plications for con- : tract negotiations, : and safety. : productivity.
Optimize OSHA rules and regulations	: NEAD: : Ditto					: EDD and NEAD: : Ditto	: Ditto
Extend uniform labor and social legislation to all food system employees	: Ditto						: Ditto (including income security for workers)
Allocate adequate supplies of fuels, fertilizers, and chemicals to the U.S. food system	: NEAD, CED and NRED: : Input costs and distri- : butional efficiencies : under various market : and nonmarket alloca- : tive strategies.	: Ditto		: NEAD, CED and : NRED: Conformity : to national : energy strat- : egies.			

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Resources (Human, Natural and Other Forms): Current Proposals Related to the Food Issue--continued

Goals	Means	(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Capacity assurance (U.S. food system)	Rural develop- ment (rural infrastructure)	Land, water and marine conservation (farms and fisheries)	Energy independence (U.S. economy)	Environmental protection (U.S. society)	Health and safety protection (food system workforce)	Responsible labor relations (U.S. food system)
Conserving energy by adoption of more energy- efficient use tech- nologies		:NEAD, CED and NRED: Relative efficiencies of alternative energy use technologies.	:EDD: Potentials for rural busi- ness and employ- ment.	:NEAD, CED and NRED: Contribu- tion to national energy strat- egies.				
Exploit agricultural (bio-mass) energy pro- duction potentials		:NEAD, CED, NRED and Natural Scientists: Yields, costs, crop mixes, farming prac- tices and structure of agriculture	:EDD: Potentials for rural busi- ness and employ- ment.		Ditto	:NRED: Environ- mental implica- tions.		
Develop a national rural transportation policy (Proposed S.793)		:NEAD and EDD: Location, NRED and EDD: capacity, and quality of rural transporta- tion facilities and services; and feasible remedies for service deficiencies.	:Potential con- tributions to the vitality of rural communities.		:NEAD: Efficiency: potentials in distributing energy to agri- culture.	Ditto		
Offer avenues and in- centives for young would-be farmers to engage in agriculture		:CED, NEAD, NRED and EDD: Costs, skills, and other requisites for successful farming; population of young candidates; land avail- ability; and implica- tions for agricultural structure, organization; and productivity.	Ditto	:NRED: Relevance to land and water programs.		Ditto		
Initiate necessary methods for maintain- ing adequate flows of capital to agriculture		:NEAD: Financial mar- kets and institutions; serving agriculture; use of funds and fin- ancial needs of agri- culture.	Ditto	:NRED: Prospec- tive needs for conservation assistance.	:NEAD: Financial aspects of ex- ploiting energy production potentials in agriculture.	:NRED: Financial burdens imposed by environmental safeguards.	:EDD and NEAD: Financial demands of health and safety programs.	:EDD and NEAD: Financial aspects of providing income security for workers

Goals	Aim for markets applicable to the U.S. food system that are:					
	Workably competitive (power moderation) (1)	Transactionally responsible (fraud renunciation) (2)	Equitably rewarding (resource contribution) (3)	Efficiently productive (resource application) (4)	Progressively innovative (technology appreciation) (5)	Judiciously responsive (public consideration) (6)
Minimize unjustifiable regulations affecting market freedom of the food system imposed by ICC, CAB, FPC and FEA	:NEAD and CED: Structure, organization, practices and other facets of states of competitiveness.	:NEAD and CED: Comparative:NEAD and CED: Costs, active intra and inter-prices, margins, inputs and outputs. market resource commitments and compensations	:NEAD and CED: Comparative:NEAD and CED: Costs, active intra and inter-prices, margins, inputs and outputs. market resource commitments and compensations	:NEAD and CED: Potentials for product, service and operational advances.	:NEAD and CED: Choices, qualities, prices, supplies and distribution of goods and services; and non-market benefits and costs.	
Restrict market concentration, and prevent predatory and discriminatory pricing (Sherman, Clayton, and Robinson-Patman Acts)	:Ditto		:Ditto	:Ditto	:Ditto	:Ditto
Forbid unfair or discriminatory practices in livestock and meat marketing (Packers and Stockyards Act)	:Ditto	:NEAD and CED: Nature and extent of violations or circumventions of provisions of the act; and corrective alternatives.	:Ditto	:Ditto	:Ditto	:Ditto
Suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities (Perishable: Agricultural Commodities Act)		:Ditto	:Ditto	:Ditto	:Ditto	:Ditto
Allow farmers to form cooperatives (Capper-Valstead Act)	:Ditto	:NEAD and FCS: Farmers' share of consumers' dollar.	:Ditto	:Ditto	:Ditto	:Ditto
Enhance bargaining power of farmers (Agricultural Fair Practices Act and other legislative proposals on bargaining)	:Ditto	:Ditto	:Ditto	:Ditto	:Ditto	:Ditto

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Markets: Current Programs and Proposals Related to the Food Issue--continued

Goals	Aim for markets applicable to the U.S. food system that are:					
	Workably competitive (power moderation) (1)	Transactionally responsible (fraud renunciation) (2)	Equitably rewarding (resource contribution) (3)	Efficiently productive (resource application) (4)	Progressively innovative (technology appreciation) (5)	Judiciously responsive (public consideration) (6)
Means						
Allow farmers to use Market Orders (Agricultural Marketing Act)	Ditto		Ditto	Ditto	Ditto	Ditto
Continue and improve commodity inspection and grading programs	NEAD and CED: Roles in facilitating trading.	NEAD and CED: Technical and economic aspects of defining and applying grade and quality standards.		Ditto	Ditto	Ditto
Continue and improve commodity and market information programs	NEAD and CED: Generation, distribution, and use of market information.		NEAD and CED: Knowledge equalization.	NEAD and CED: Efficient pricing and market allocation.	NEAD and CED: Reporting techniques and communication processes.	Ditto
Prevent price manipulation and other abuses of commodities futures markets (Commodities Futures Trading Commission)	NEAD: Delivery points; premiums and discounts; counts, and other contractual terms; and hedging exemptions.	NEAD: Nature and extent of shady trading practices.	NEAD: Comparative gains and losses to various classes of traders.	NEAD: Relevance to efficient price discovery.	NEAD: Quest for more informative reporting and data systems.	Ditto

Consumers: Current Proposals Related to the Food Issue

Means	Goals	Health protection : (food safety)	Nutrition provision : (food quality, supply and distribution)	Decision information : (product identi- fication and price)	Monopoly limitation : (product choices and price levels)	Policy participation : (food programs and regulations)
		(1)	(2)	(3)	(4)	(5)
Evaluate effectiveness of FTC, USDJ, and USDA in enforcing antitrust laws relating to the food industry (Proposed H.R. 9182)					:NEAD, CED and FDGD: :Structure of the food :Industry and existing :and anticipated states :of competition; and up- :dates of reports of the :National Commission on :Food Marketing.	
Determine where the consumer's dollar is going in the food marketing chain (House and Senate hearings)					:NEAD and CED: Improved :and expanded data :systems for monitoring :price spreads for food.	
Require that labels on all foods disclose ingredients for each product (Proposed H.R. 392)				:NEAD: Market and non- :market costs and :benefits.		
Ban DES as a growth stimulant (Proposed H.R. 324)		:CED and NEAD: Mar- :ket and non-market :costs and benefits.; and benefits.	:CED and NEAD: Market :and non-market :and non-market costs :and benefits.			
Establish a grading system retail purchasers may use for determining the relative nutritional value of different foods (Proposed H.R. 472)			Ditto	Ditto		
Require that imported dairy products be produced in facilities meeting minimum prescribed sanitation standards (Proposed H.R. 397)		Ditto (and FDGD)	Ditto (and FDGD)			
Repeal statutory authority to impose quotas on certain imported meats and meat products (Proposed H.R. 475)			Ditto			
Require that imported dairy products be labeled to disclose such fact (Proposed H.R. 787)				Ditto (and CED)		
Require that imported foodstuffs meet Federal Standards for domestic foodstuffs (Proposed H.R. 1495)		Ditto (and FDGD)	Ditto (and FDGD)			

Consumers: Current Proposals Related to the Food Issue--continued

Goals	Health protection : (food safety)	Nutrition provision : (food quality, supply and distribution)	Decision information : (product indenti- fication and price)	Monopoly limitation : (product choices and price levels)	Policy participation : (food programs and regulations)
Means	(1)	(2)	(3)	(4)	(5)
Establish a Federal Agency (Proposed S.200)	Consumer Protection:				:NEAD: Potential impacts :on policy making, pro- :grams, regulations and :on conduct and perform- :ance of the food system
Require retailers to provide consumers point of sale information on the recent price history of products and merchan- dise offered for sale. (Proposed H.R.2034)			:NEAD: Market and non- :market costs and :benefits.		
Require that labels on certain packaged goods contain the name and place of business of the manufacturer, packer and distributor (Proposed H.R.3016)			Ditto		
Require the retailers disclose the unit retail prices of packaged consumer commodities (Proposed S.997)			Ditto		
Provide for thorough health and sanita- tion inspection of all livestock pro- ducts imported into the U.S. (Proposed H.R.3600)	Ditto (and FDCD)				
Require that imported meat and meat food products made in whole or part of imported meat be labeled "imported" at all stages of distribution until de- livery to the ultimate consumer (Proposed S.588)			Ditto		
Require State standards to be at least as strict as Federal standards for meat marketing, labeling, packaging, and ingredient requirements (Proposed H.R.4378)	:CED and NEAD: :Market and non- :market costs and :benefits	:CED and NEAD: Market :and non-market costs :and benefits.	:CED and NEAD: Market :and non-market costs :and benefits.		
Require that all perishable and semi- perishable foods have a "pull" date and storage instructions on labeling (Proposed H.R.4384)	Ditto	Ditto	Ditto		
Implement surveillance regulations for the detection and prevention of adulter- ated food (Proposed S.641)	Ditto	Ditto	Ditto		

Perhaps as an antidote to any inadvertant, perspective shocks from perusals of the above matrices, a bit of reassuring redundancy about their role is warranted at this juncture. Although, at first glance, these subject matter arrangements may justifiably be thought of otherwise, providing some meaningful inkling of the many ramifications of food policy, not mind boggling, is their earnest purpose. To begin with, if the formats make any sense at all in a program context, they do so in at least three ways in that: (1) There are recognizably significant interrelationships, some characterizing conflict--others compatibility, among many of the object related goals and means; (2) much information, if properly focused, already existing throughout ERS can help explain the nature of these interrelationships; and (3) putting together mutually consistent analyses of these interrelationships is an ERS-wide venture.

Not much, though, is explicitly intimated about program mobilization, particularly, the parts of this process concerned with research priorities, resource commitments and activity coordination. But, one thing is certainly obvious. Not all of the research implied by the matrices can be taken on immediately, however challenging and stimulating this might be. Resource limitations simply will not allow it. Self evident yes, but not exactly an easy hurdle as far as the development of a workable program is concerned. Realities of this constraint call for retrenchment in the scope of proposed research on food policy mapped out thus far. Which in turn, poses the difficulty of deciding on what particular form of program will be operationally feasible and most useful to policymakers in both the near and longer terms.

For such a curtailed program to be both substantiative and workable, elements of the subject matter must be still representative of all important reaches of the food issue spectrum, meaningfully linkable, and intellectually

appealing to professionals responsible for the research. To capture what are thought to be essential program properties, preceding matrices in this statement and ERS program materials are drawn upon. The latter source is, by way of earlier comments, particularly important for two very practical reasons: (1) parts of the work in each Division already do or, through nominal modification can generate pertinent information for clarifying the food issue; and (2) use of familiar starting points such as these as an initial basis can go a long way toward smoothing the transition to establishment of a full scale, research program on food policy in the Agency. Joining food policy research with established programs in ERS, though, requires restating elements of the preceding matrices, that reflect perspectives of proposers, to conform to the logic of those existing program orientations having some close kinship to the food issue.

This process applies, particularly, to those entries expressing proposed means. Rather than repeating these in specific terms, different means' arenas are presented, instead, wherein actions to do something toward achievement of some uniquely defined, total purpose food goal presumably could be taken. For now, though, only the existence of such a goal need be assumed. The flexibility of this arrangement considerably expedites sorting elements of ERS research into groupings with each having some different but meaningful relationships to the food issue via other goals retained in the format below.

For those who for some reason have little notion about the number of MIS-2's in ERS, let them hereby know it is big! Thus, as a simple matter of economy of effort and because of the generally recognized application of certain kinds of research to policy questions, projects dealing with statistics, situations, forecasting, projections and systems are not included, for the most part, in the summarizing apparatus.

Also, some of the project numbers that are included in the various cells may appear out of position in terms of context either because human error and tricky bi-focals actually lodged them in the wrong spot; or because the apparatus is out of focus with the intended perspective.

To assist comprehension of the jumble of numbers in the cells, a companion index of project titles is provided.

Only a cursory examination of this display of research going on in ERS suggests that much more might be said about the subject of food policy than is now the case. Or, perhaps put more appropriately, the various kinds of information available throughout the Agency might be brought to bear on the subject in a more coherent fashion. The tableaus of research projects are offered as a starting point for the development of just such a process, with full recognition that legitimate issues may be taken with the suggestion because of differently held viewpoints.

But, perhaps some difficulties that may arise in the early stages of program formation might be forestalled if agreement can be had on two points, one having to do with the definition of food policy and the other with the identification of issues. As for the former, the contention that little is to be gained from worrying about defining the subject is made at the beginning of this statement. In case of the latter though, the overriding issue seems quite clear and hence easily stated. It is about the amount, kind and distribution of food to feed the world's population now and in the future. Only a moment's reflection shows it to be an apt basis for the conventional demand-supply, i.e., goals-means dichotomy. Viewed in this way, goals relate to the nutritional requirements, both market and otherwise determined, of people; and means pertain to processes for supplying these requirements.

Associated policy objects:	Agriculture					Foreign	
	U.S.					Supply responsiveness and predictability	Developmental and technological progress
Attendant Goals	Income protection	Family farm protection	Efficiency, capacity and supply assurance	Supply responsiveness and predictability	Developmental and technological progress		
Means: Arenas for alternative actions							
Guidelines and incentives for influencing agricultural production techniques, output levels and mixes; and organization and structure	01-001 06-054 15-131 01-004 07-062 15-132 03-022 07-063 15-133 03-025 07-064 17-150 04-032 07-065 18-156 04-033 08-072 30-212 04-034 08-073 33-221 05-042 08-075 33-222 05-044 08-076 34-223 05-045 11-100 34-229 05-046 12-106 41-300 06-052 12-107 41-301 06-053 13-117 41-302 43-322	03-024 12-106 03-025 12-107 06-052 13-115 06-053 13-116 07-063 13-117 07-064 15-131 07-065 15-132 08-072 17-150 08-073 15-133 08-075 30-212 08-076 41-300 11-100 41-301 41-302	01-001 06-054 13-116 01-004 07-062 13-117 03-022 07-063 15-131 03-025 07-064 15-132 04-032 07-065 15-133 04-033 08-072 17-150 04-034 08-073 18-156 05-042 08-075 30-212 05-044 08-076 41-300 05-045 11-100 41-301 05-046 12-106 41-302 06-052 12-107 43-321 06-053 13-115 43-322	04-033 04-034 26-203 28-208 28-209 30-212 33-221 33-222 34-229			
Schemes for allocating and regulating production inputs and funds	08-072 15-131 17-148 13-117 15-132 36-242 15-130 15-134 41-305	13-117 15-132 15-130 15-134 15-131 17-148 41-305	15-130 15-134 15-131 17-148 15-132 36-242 43-322	36-242			36-242
Programs for research, training, technical support; and resource and technological development	12-107 34-224 15-133 43-323 30-213 44-332	12-107 15-133	12-107 15-133 43-323 44-332	11-100 27-204 30-213 34-224			11-100 62- 27-204 63- 30-213 64- 34-224 65-
Arrangements for dealing with food stocks and reserves	01-001 18-156 04-034 36-236		01-001 18-156 04-034 36-236	36-236			
Variations in the terms of property right and investment privileges	15-134 17-148 44-331	13-118 17-148 15-134 44-331	13-118 17-148 15-134 44-331				
Reforms in the incidence of Federal, State and local taxation	08-076 41-302 13-117 58-431 18-157 58-433	08-076 41-302 13-117 58-431 18-157 58-433	08-076 41-302 13-117 58-431 18-157 58-433				
Alterations of physical distribution procedures and systems	14-125 14-126	14-125 14-126	06-054 11-100 14-126 07-064 14-125				
Modifications in manufacturing and marketing systems, trading processes, and regulations	12-108 26-203 13-117 28-208 16-140 28-209 16-141 30-212 17-145 34-223 18-156 35-230	13-117 17-146 16-140 18-156 16-141 41-302 17-145 41-304	13-117 17-146 16-140 35-230 16-141 35-231 17-145 41-302 17-146 41-303 18-156 41-304	30-212 34-223 34-227 35-230 35-231 36-234 37-237 37-238			
Adjustments in work force accommodations and incentives	63-455 63-456	62-450 63-455 62-451 63-456	62-450 63-455 62-451 62-456				
Revisions of welfare and nutritional assistance programs	20-176 65-467	65-467	65-467				
Emphasis on ways of satisfying consumer needs and concerns							

-continued

Continued--

The Food Issue: Guide to Related ERS Research as Identified by Program and Project Numbers

Associated policy objects:	Resources									
	U.S.					Foreign				
Attendant Goals	Rural development	Land, water, marine development and conservation	Energy assurance	Environmental protection	Rural development	Land, water, marine development and conservation				
Means: Arenas for alternative actions										
Guidelines and incentives for influencing agricultural production: techniques, output levels and mixes; and organization and structure	12-107 41-302	12-107 41-300 41-302	12-107	06-054 12-107 41-300 41-301						
Schemes for allocating and regulating production inputs and funds	15-134 41-305 43-321	15-134 41-305 43-321	41-305 43-322	15-134 41-305 43-322						
Programs for research, training, technical support; and resource and technological development	11-100 43-323 44-332	11-100 43-323 44-332	12-107 12-108 43-323 44-332	12-107 12-108 43-323 44-332	11-100 51- 52- 53- 54- 65-	11-100 34-224				
Arrangements for dealing with food stocks and reserves										
Variations in the terms of property right and investment privileges	15-134 44-331	15-134 44-331	44-331	15-134 44-331						
Reforms in the incidence of Federal, State and local taxation	18-157 58-431 58-433	18-157	18-157	18-157						
Alterations of physical distribution procedures and systems	14-126			04-036 06-054						
Modifications in manufacturing and marketing systems, trading processes, and regulations	12-107 41-302 41-303	12-107 41-302 41-303	12-107	04-036 12-107 41-302 41-304						
Adjustments in work force, accommodations and incentives	62-450 62-451 63-455	63-456 65-465 66-470								
Revisions of welfare and nutritional assistance programs	20-176 65-467									
Emphasis on ways of satisfying consumer needs and concerns										

Associated policy objects:	Input and Product Markets									
	U.S.									
Attendant Goals	Workably competitive	Equitably rewarding		Progressively innovative and efficient		Judiciously responsive				
Means: Arenas for alternative actions										
Guidelines and incentives for influencing agricultural production techniques, output levels and mixes; and organization and structure	41-301			41-301						
Schemes for allocating and regulating production inputs and funds	15-130 15-132 15-133	15-134 17-148 41-305	15-130 15-132 15-133	15-134 17-148 41-305	15-130 15-132 15-133	15-134 17-148 41-305				
Programs for research, training, technical support; and resource and technological development	12-107 15-133 44-332	12-107 15-133 44-332								
Arrangements for dealing with food stocks and reserves	04-034 36-236	04-034 36-236			04-034 36-236					
Variations in the terms of property right and investment privileges	15-134 17-148 44-331	15-134 17-148 44-331			15-134 17-148 44-331					
Reforms in the incidence of Federal, State and local taxation	08-076 18-157	41-302 18-157			08-076 18-157	41-302				
Alterations of physical distribution procedures and systems	04-036 11-100	14-125 14-126	15-133 15-133	14-125 14-126	04-036 11-100	07-064 11-100	14-125 14-126	15-133 14-125	14-125 14-126	
Modifications in manufacturing and marketing systems, trading processes, and regulations	03-022 03-024 03-025 04-032 04-033 04-036	06-053 07-062 07-063 07-064 07-065 08-073	13-117 15-132 15-133 16-140 16-141 17-145	07-062 07-063 07-064 07-065 08-073 08-075	03-022 03-025 04-032 04-033 04-036 05-042	06-052 06-053 06-054 07-062 07-063 07-064	12-106 12-107 12-108 13-115 13-116 13-117	17-146 18-156 34-227 41-302 41-303 41-304		
	05-042 05-044 05-045 05-046 06-052	08-075 08-076 12-107 13-115 41-302	17-146 18-156 18-156 41-302 41-303	08-076 12-107 13-115 41-302 41-304	04-036 05-042 05-046 06-052 06-053	07-065 08-073 12-107 13-115 41-302	15-132 15-133 16-140 16-141 17-145			
Adjustments in work force accommodations and incentives	63-455 63-456		63-455 63-456		63-455 63-456	66-470				
Revisions of welfare and nutritional assistance programs						20-176				
Emphasis on ways of satisfying consumer needs and concerns								05-045 05-046	12-107 12-108	20-172 20-173

Associated policy objects	Input and Product Markets			People	
	International			U.S. Consumers	
Attendant Goals	More open, receptive and stable	Less concessional dependence	Reasonable food costs, choices information, safety and security		
Means: Arenas for alternative actions					
Guidelines and incentives for influencing agricultural production techniques, output levels and mixes; and organization and structure	33-221 33-222 34-229		01-001 06-052 08-076 41-301 03-022 06-053 12-106 41-302 03-025 07-062 17-150 04-032 07-063 18-156 04-033 07-064 33-221 04-034 07-065 33-222 05-042 08-073 34-229 05-044 08-075 41-300		
Schemes for allocating and regulating production inputs and funds	15-132 36-242		15-131 17-148 15-132 36-242 15-133 41-305		
Programs for research, training, technical support; and resource and technological development	30-213 34-224	30-213 34-224	12-107 34-224 15-133 43-323 30-213 44-332		
Arrangements for dealing with food stocks and reserves	01-001 36-236	01-001 36-236	01-001 36-236 18-156		
Variations in the terms of property right and investment privileges			17-148 44-331		
Reforms in the incidence of Federal, State and local taxation			18-157 58-433 58-431		
Alterations of physical distribution procedures and systems		14-125 14-126	14-125		
Modifications in manufacturing and marketing systems, trading processes, and regulations	01-001 28-208 36-234 04-033 28-209 37-237 04-034 30-212 37-238 12-108 34-223 17-146 34-227 18-156 35-230 26-203 35-231	01-001 04-034 37-238	08-076 18-156 35-230 12-105 26-203 35-231 12-108 28-208 36-234 16-140 28-209 37-237 16-141 30-212 37-238 17-145 34-223 41-303 17-146 34-227 41-304		
Adjustments in work force accommodations and incentives			63-455 63-456		
Revisions of welfare and nutritional assistance programs			08-076 20-176 65-467 11-100 63-455		
Emphasis on ways of satisfying consumer needs and concerns			05-044 12-105 20-172 05-045 12-107 20-173 05-046 12-108 20-175		

Associated policy objects	People			
	U.S. Food System Producers <u>1/</u>	Foreign Consumers	Foreign Food System Producers <u>1/</u>	
Attendant Goals	Personal income, employment, safety and health safeguards	Food costs, choices, information, safety and security	Educational, and Technical achievement	
Means: Arenas for alternative actions				
Guidelines and incentives for influencing agricultural production techniques, output levels and mixes; and organization and structure	12-107 33-222 15-131 34-229 15-133 41-300 18-156 41-301 33-221 41-302	04-033 06-053 33-221 33-222 34-229		
Schemes for allocating and regulating production inputs and funds	15-131 36-242 17-148 41-305 17-150	36-242		
Programs for research, training, technical support; and resource and technological development	30-213 44-332 34-224 43-323	30-213 34-224	30-213 52- 34-224 53- 51- 54-	
Arrangements for dealing with food stocks and reserves	01-001 36-236 18-156	01-001 36-236		
Variations in the terms of property right and investment privileges	17-148 44-331			
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Alterations of physical distribution procedures and systems				
Modifications in manufacturing and marketing systems, trading processes, and regulations	12-107 18-156 12-108 26-203 16-140 28-208 16-141 28-209 17-145 30-212 17-146 34-223	34-227 41-302 35-230 41-303 35-231 41-304 36-234 37-237 37-238	12-108 26-203 28-208 28-209 30-212 34-223	37-237 37-238 34-223 35-230 35-231 36-234
Adjustments in work force accommodations and incentives	05-045 62-450 05-046 62-451	63-455 65-465 63-456 66-470		
Revisions of welfare and nutritional assistance programs	20-176 65-467 63-455	20-177	20-177	
Emphasis on ways of satisfying consumer needs and concerns	20-172 20-175 20-173	05-045 05-046		

1/ Self employed and hired.

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03-024	Industry Structure-Changes, Projections and Implications.
03-025	Dairy: Policy Analysis.
04-032	Grains: Cost Components.
04-033	Grains: Supply, Demand and Price Analyses.
04-034	Grains: Policy and Program Evaluation.
04-036	Grains: Quality and Utilization.
05-042	Fruits and Vegetables: Margins, Costs and Returns.
05-044	Economic Analysis of the Sweetner Industry.
05-045	The Fruit Industries: Economic Analysis of Production and Marketing.
05-046	The Vegetable Industries: Economic Analyses of Production and Marketing.
06-052	Structural Characteristics of the Beef and Pork Subsector.
06-053	Domestic and Foreign Demand for Red Meat and By-Products.
06-054	Economics of Alternative Technologies and Management Systems in Livestock Production.
07-062	Marketing Margins and Cost Components in the Oil Crops Industry.
07-063	Program Analysis for Oil Crops.
07-064	Organization and Efficiency of the Production and Marketing Sector for Oil Crops.
07-065	Supply and Demand Analysis for Oil Crops.
08-072	Feed Consumed by Poultry and Livestock-Quantity, Price and Costs Interrelationships.

Commodity Economics

<u>Number</u>	<u>Title</u>
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Although food implicitly is the paramount issue for purposes of this statement, it obviously cannot be treated out of context with regard to other important issues and their attendant goals and means. After all, allocation of scarce resources (means) among competing ends (goals) is what economics is supposed to be mainly about. Numerous conflicts between what is desired and what is possible are in need of analysis at all strata of the domestic and world food systems, including linkages of these with other economic sectors. This is a large order indeed, and is made to seem even more so because of the lack of specificity.

It is the specificity of goals and means, in the sense they can be seen to form a meaningful pattern, that should govern the substance of a research program on food policy finally meriting consensus in ERS. For, goals and means, if stated fairly explicitly, themselves suggest a variety of questions, the answers to which would provide valuable inputs to the process of policy formulation and applications. The exemplification of this as a process for prompting ideas concerning the substance and dimensions of a food policy research program is a principal purpose of the two preceding sets of exhibits.

Beginning with the demand side of the food issue toward the terminal end of the food system, for example, the following types of questions would seem pertinent:

What are the nutritional preferences and needs as perceived by various groups comprising the total populations of both domestic and foreign consumers?

How do their actual food consumption and nutritional practices correspond to their perceived needs and preferences?

How is purchasing power distributed among these groups?

Are there feasible nutritional norms against which perceptions and actual nutritional practices of these groups can be gauged?

How are dietary aberrations (assuming these can be identified) associated with, say, purchasing power, education, custom and nutritional indifference?

What do these answers add up to in terms of probable amounts and kinds of nutritional assistance and identities of target populations?

How much will this aid cost consumers in terms of higher food prices and taxes?

What types of food and total quantities of each will consumers with purchasing power be wanting to buy in the market place and how much will they be willing to spend for these?

How far and in what ways will consumers press their concerns about food safety, nutritional value, pricing practices, etc.; and what costs and benefits will derive from their interest and involvement in food policy?

Correspondingly, on the supply side, some germane questions that might be asked are:

How internally competitive are domestic and foreign food markets?

Are costly operating inefficiencies allowed to persist that undermine the economic legitimacy of profits and food prices?

Do markets have the capacity and are they organized to efficiently handle and expedite the flow of food to consumers?

Are markets sufficiently and efficiently supplied with inputs (non-food) essential to their functions?

Do markets take consumer sovereignty seriously or do they depend mostly

on trial and error and the art of consumer persuasion in determining food choices offered consumers?

Do wasteful mis-matches occur between what markets offer and what the consuming public really wants?

To what extent do markets still adhere to the principle of caveat emptor?

How do regulations and programs imposed internally by individual countries impact, respectively, on the performance of their food markets?

How much do international trade barriers and regulations distort prices and choices of food among markets of various countries?

What groups of people and how much nutritional aid for them might publics of various nations be willing and able to subsidize?

How are foreign policies of various nations figuring in the mechanics of food aid and trade?

Returning to the demand side of the food issue again but this time with reference to farm products, the following are suggested as relevant questions:

How efficient and equitable are markets in translating consumer demands for food into demands for farm products?

What part do markets play in connection with the uncertainty and instability facing farmers?

Is market concentration inexorably turning farmers into price takers and endangering incentives for the production of abundant food supplies?

Will corporate integrators play a larger role in determining the mix and output levels of agricultural products?

What are the chances foreign investors will gain a significant foothold in the U.S. food system, and conversely, for U.S. based corporate multinationals in the food systems of other countries?

To what extent do existing food policies in various countries influence production incentives for their respective agricultural sectors?

Looking at the supply side for farm products, or the joining of agriculture with the food issue, highly appropriate questions for consideration include:

How proficient are farmers of various countries at interpreting and responding to economic and other signals in terms of optimizing commodity outputs from the producers' point of view?

To what extent do uncertainty and instability--market, weather or otherwise related--affect supply responses of agricultural sectors of various countries?

Are cost-price relationships having differential organizational and structural impacts within and among various agricultural sub-sectors, e.g., livestock vs. crops?

If these impacts are precipitating commodity supply adjustments, are the resulting output mixes consistent with nutritional aims of various countries?

Will combinations of farm and off-farm income provide sufficient incentives for independent operators to continue to produce significant quantities of food supplied by U.S. agriculture? Does this phenomenon apply to other countries?

Except in a roundabout way, nothing has been said so far about agricultural capacity--a chief concern lending license to the food issue, especially, at the World level. The reason for this is because questions raised until now have been given either a supply or a demand flavor. The notion of capacity, however, requires a dash of both. That is, producers who govern capacity are suppliers of products on the one hand and demanders of inputs on the other. Thus, the broad questions about capacity are:

In what ways and to what extents are the World's agriculture producers' access to land, other physical capital, operating capital, labor, fertilizer, pesticides, fuels, other purchased inputs and new technology constrained?

What economic and other incentives will be required to achieve specific food output goals under these constraints?

Though not exhaustive by any standard, the above questions show one way of opening up a substantive line of inquiry on the subject of food policy. For brevity, the questions were restricted to food. It is easy to see, though, that most of these could not be pressed very far without colliding with other issues, goals and means as indicated by the two sets of exhibits.

Regardless of what might be further said on this subject here, however, the specific form and content of a research program on food policy in ERS must be decided by the rule of priorities. If this piece is of any use in truing up deliberations concerned with shaping such a program, time on it will have been well spent.



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